

APPENDIX C

Task Force-related correspondence: Letters from Governor Tony Knowles to Dan Glickman, Secretary of Agriculture, Greg Frazier, Chief of Staff, U.S. Department of Agriculture, and Bill Sheffield, Chairman, Alaska Railroad Corporation, and from Jim Ayers, Chief of Staff, Office of the Governor, to Michael Dombeck, Chief Forester, U.S. Department of Agriculture



TONY KNOWLES
GOVERNOR



P.O. BOX 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

November 29, 1996

The Honorable Dan Glickman
Department of Agriculture
14th Street and Independence Avenue, SW
Washington, DC 20250

Dear Mr. Secretary:

We have heard persistent rumors the Department of Agriculture may be contemplating suggested arbitrary drastic reductions in the amount of timber that will be available for harvest in the Tongass National Forest. It is our understanding that these suggestions are outside the land use planning process currently being completed by the Forest Service.

I have long advocated land use planning in the Tongass be based on sound science, good management, and public involvement. If the information we hear is true, these principles may be in significant jeopardy. Federal administrators in Washington, D.C., may be interfering with the process now occurring in Alaska.

After promising conclusion of this process in September, I feel any delay in finalizing the Tongass Land Management Plan (TLMP) beyond this calendar year could significantly affect jobs and families in Southeastern Alaska. The timber industry is reluctant to make investment decisions until the annual sale quantity is determined. Further, other industries dependent on the Tongass, such as tourism and commercial fishing, as well as recreation and subsistence users, are affected by the number and location of future timber sales.

In our opinion, the Regional Forester's proposed annual harvest quota, as described in the Forest Service's draft environmental impact statement, represents a good reference point, subject to public comment. A drastic reduction in the proposed sale quantity outside the process would have an extremely deleterious impact on the timber industry, even after the Ketchikan pulp mill closes. In this regard, I am concerned about the negative consequences for Alaska's small business and independent timber operators and for our efforts to develop value-added timber products in the Tongass.

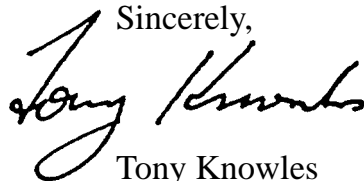
It is time to bring TLMP to a close. I hope you maintain your commitment to do so by the end of the year. If there is to be any change in the usual process by which draft land use plans are evaluated and finalized, I believe additional public input to policy makers at the

The Honorable Dan Glickman
November 29, 1996
Page 2

Departments of Agriculture and Interior should be solicited. Decisions respecting the annual timber harvest and its relationship to the resource values of the Tongass are simply too important to allow final determinations by people who are not familiar with the public debate in Alaska.

Mr. Secretary, I request you look into this matter personally to assure yourself that the TLMP process is fair and in accordance with established procedures, that TLMP will be finalized in a timely manner, and the annual harvest will be sufficient to sustain a viable timber industry in Southeast Alaska while protecting other resources.

I would be glad to discuss these matters further at your convenience. Thank you for your consideration of my views.

Sincerely,

Tony Knowles
Governor

TONY KNOWLES
GOVERNOR



P.O. BOX 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 23, 1997

The Honorable Dan Glickman
Secretary of Agriculture
U.S. Department of Agriculture
14th Street and Independence Avenue, SW
Washington, DC 20250

Dear Mr. Secretary:

Thank you again for the generosity you and your staff shared with me and the representatives of Southeast Alaska when we visited with you about the Tongass Land Management Plan (TLMP). As a further follow-up to that meeting, I am clarifying and reemphasizing the importance of completing TLMP prior to May 31.

The economy of Southeast Alaska has recently withstood the shutdown of two of the regions largest employers, the pulp mills in Sitka and Ketchikan. The ripples of these closures will be felt for years, and only down the road are we likely to understand their full economic and social impacts. State and federal agencies are working to ameliorate the effects of the most recent closure on Ketchikan and other timber-dependent communities. We appreciate the assistance provided by your office and the Clinton Administration in this effort to assist the economic transition.

As the mayors and my Administration have stressed for many months now, it is imperative to the economic recovery of Southeast Alaska TLMP be signed as soon as possible. Transition to a value-added timber industry is impossible without a stable, predictable timber supply, something we cannot have until TLMP is signed. The difficulties and dislocation to Alaska families caused by mill closures are being unnecessarily compounded through the inability of the U.S. Forest Service (USFS) to complete the \$13 million TLMP process. After ten years, it is time to bring closure to "planning" on the Tongass National Forest.

The USFS is currently preparing a Memorandum of Understanding (MOU) outlining a protocol for state and federal agencies to work cooperatively on implementing the monitoring and evaluation of the plan. The state fully expects to be a part of this implementation, and expects the federal agencies to cooperate in addressing the remaining state concerns with Tongass management. The time to start this process is now.

In particular, the state strongly believes TLMP must be signed by May 31 because by this date the U.S. Fish and Wildlife Service (FWS) will decide whether to propose to list the Alexander Archipelago wolf and/or the Queen Charlotte goshawk as threatened under the

The Honorable Dan Glickman
April 23, 1997
Page 2

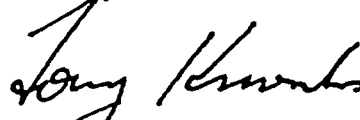
Endangered Species Act (ESA). A proposed listing discussion would compound the tremendous uncertainty over the availability of timber.

Application of the ESA, viewed by the Alaska Department of Fish and Game (ADF&G) as biologically unnecessary, could have the effect of stopping all logging in southern Southeast Alaska, the region most impacted by the recent mill closure. Without arguing the state's position on the merits of listing these two species, it is simply bad public policy for the FWS to be reviewing the need for an ESA listing under an out-of-date, soon to be revised forest plan. Any FWS decision under the current Tongass Plan will make federal government actions look duplicative and wasteful. A decision to list will also make management of the Tongass more bureaucratic and difficult, potentially for decades.

Actions by the USFS and recent management changes by the state have addressed existing management concerns. As responsible managers of fish and wildlife, the state has set a higher goal than merely avoiding an ESA listing. The state believes the new TLMP will provide a significant improvement in wildlife measures which will protect the existing healthy populations of wolves and goshawks. The recently proposed federal/state cooperative monitoring MOU will ensure that management further improves as the needs of these species become better defined.

It is important the Regional Forester sign the Tongass Land Management Plan immediately to put in place additional fish and wildlife protection measures. Thank you again for your personal attention to Tongass National Forest issues, and please do not hesitate to contact me if there is anything the state can do to bring TLMP to an immediate resolution.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Knowles", written over a horizontal line.

Tony Knowles
Governor

cc: Erskine Bowles, White House Chief of Staff
Bruce Babbitt, Secretary, Department of the Interior
Michael Dombeck, Chief, U.S. Forest Service
Katie McGinty, Chair, Council on Environmental Quality
T.J. Glauthier, Office of Management and Budget
Phil Janik, Regional Forester, U.S. Forest Service

TONY KNOWLES
GOVERNOR



P.O. BOX 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

December 20, 1996

Mr. Greg M. Frazier
Chief of Staff
U.S. Department of Agriculture
14th Street and Independence Avenue, SW
Washington, DC 20250

Dear Mr. Frazier:

The State of Alaska is disappointed by the continued delay in the completion of the Tongass Land Management Plan (TLMP). The stability and prosperity of Southeast Alaska is threatened by the continued failure of the U.S. Forest Service to complete TLMP. The lack of a plan is perpetuating uncertainty for all of the users of the forest and for the jobs and families of Southeast Alaska. As you know, with the announcement of the closure of the Ketchikan Pulp Company's pulp mill, Southeast Alaska is in a period of transition.

We continue to urge an expeditious completion of a TLMP that is based on the three principles of sound science, prudent management, and a responsive public process. As we have told Congress, the Clinton Administration, and various interest groups, we will not support an arbitrary harvest number or proposals to support a number which is not based on the above three principles or determined within the TLMP process. We support the U.S. Forest Service process including the presentation of the draft alternatives in April and the further scientific analysis which has occurred since then. We do not want to see this credible process undermined by further delay. We also urge the U.S. Forest Service to provide a timber harvest level and strategies for the Tongass National Forest that:

- will prevent the immediate closure of any additional facilities and prevent additional job losses;
- will provide a predictable supply of sawlogs in the next four to five years for a transition to value-added manufacturing; and,
- will not stymie the development of an integrated industry that fully utilizes all the timber supply and maximizes jobs.

Mr. Greg Frazier
December 20, 1996
Page 2

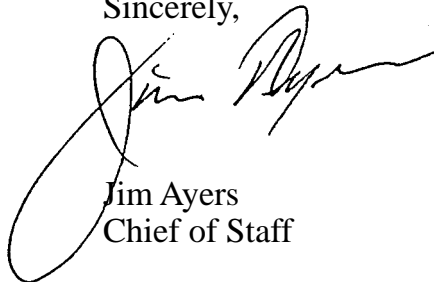
The Governor's Southeast Region Timber Task Force is developing models for the timber industry with ranges of harvest level options. The Alaska Forest Association's (AFA) models are based on their best analysis of the business needs of the timber industry. The AFA, along with some task force members, has publicly stated that a harvest level below the March 1996 preferred alternative will cause severe dislocation in the industry. Others in Southeast Alaska, including some communities, environmental groups, and some members of the task force, believe levels below the preferred alternative are preferable to protect important areas. However, they all agree on the need for a stable timber industry and the need for models that demonstrate how this can be achieved at various harvest levels. Completion of the revision is needed now so these models can be utilized in a realistic and meaningful manner.

If the revised plan's harvest level is significantly below the draft preferred alternative, the timber industry believes it will be difficult for those making investments in value-added components to secure start-up capital for their projects. In that case, Southeast Alaska will require major investments by the U.S. Department of Agriculture (USDA) for value-added infrastructure and other economic transition purposes.

In addition to financial assistance, the task force needs the technical assistance of your best national experts to help develop these models. We have contacted the Regional Forester and made a request for this assistance. We hope USDA will provide this assistance.

We look forward to working with you to create a seamless transition that, to the greatest extent possible, avoids displacing Alaskan job and families.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Ayers", with a large, stylized loop at the end.

Jim Ayers
Chief of Staff

cc: Senator Ted Stevens
Senator Frank Murkowski
Congressman Don Young
U.S. Forest Service Chief Michael Dombeck
Regional Forester Phil Janik
Katie McGinty, Chair, Council on Environmental Quality
Dinah Bear, General Counsel, Council on Environmental Quality
T.J. Glauthier, Associate Director, Natural Resources, Office of Management and Budget
Members of the Governor's Southeast Region Timber Task Force

TONY KNOWLES
GOVERNOR



P.O. BOX 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 19, 1997

The Honorable William Sheffield, Chairman
Board of Directors
Alaska Railroad Corporation
P.O. Box 107500
Anchorage, AK 99510-7500

Dear Bill,

Over the past few weeks, I have received requests from constituents in Southeast Alaska and from the members of the Southeast Region Timber Task Force about the use of Alaska timber species-hemlock, in particular-in the production of replacement railroad ties. On behalf of the mills in Southeast, I respectfully request your cooperation in doing all we can to make possible the Alaska manufacture of railroad ties for the Alaska Railroad.

I would like to open the railroad's specifications to native Alaska hemlock, Sitka spruce, and white spruce, and to fully review the technical and economic feasibility of using Alaska species as the ties of preference.

For example, I understand treated hemlock ties are used widely in the lower 48 states. Southeast Alaska has an abundance of hemlock. On a recent trip through Southeast, I saw stacks of cut hemlock and was told it has excellent properties for railroad ties. The railroad could consider Alaska hemlock through a simple addition to the specifications, such as "... or other species meeting the specific strength and grade requirements." I also understand the Tyonek Native Corporation is researching the use of a "double diffusion process" as an alternative to creosote as a preservative. If these tests are positive, Alaska manufacture could be possible.

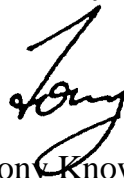
The railroad's use of Alaska products made from native Alaska wood species would create a winning situation for both the railroad and Alaska businesses. It would further demonstrate the railroad's commitment to operations is in the best interest of our state. My Administration is anxious to work with the railroad to ensure Alaska firms fully participate in new and ongoing contracting opportunities.

The Honorable William Sheffield
March 19, 1997
Page 2

Finally, I would like the Alaska Railroad Corporation to institute an Alaska product preference. I recognize the railroad can accept no compromise on the quality of the wood products it uses, or on the agreed-upon schedules for timely delivery. However, interested Alaskans assure me they are up to the task. I trust you would agree the best course of action on our part is to make the opportunity available.

I look forward to discussing this issue with you. Please share my interests with the railroad's officers and board members. Let me know what we can do to open more opportunities for Alaskans.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony", with a stylized flourish at the end.

Tony Knowles
Governor

cc: Frank Age, Age Cedar Products
Steve Seley, Seaborne Lumber
Kirk Dahlstrom, Viking Lumber
Ralph Lewis, KPC
Jack Phelps, Alaska Forest Association
William L. Hensley, Commissioner, DCED
Board Members, Alaska Railroad Corporation

TONY KNOWLES
GOVERNOR



P.O. BOX 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

December 20, 1996

Mr. Michael Dombeck, Chief Forester
U.S. Department of Agriculture
14th Street and Independence Avenue, SW
Washington, DC 20250

Dear Mr. Dombeck:

Congratulations on your appointment as Chief Forester. The Knowles Administration is looking forward to working closely with you on solutions to the forestry issues facing the State of Alaska.

The State of Alaska is disappointed by the continued delay in the completion of the Tongass Land Management Plan (TLMP). The stability and prosperity of Southeast Alaska is threatened by the continued failure of the U.S. Forest Service to complete TLMP. The lack of a plan is perpetuating uncertainty for all of the users of the forest and for the jobs and families of Southeast Alaska. As you know, with the announcement of the closure of the Ketchikan Pulp Company's pulp mill, Southeast Alaska is in a period of transition.

We continue to urge an expeditious completion of a TLMP that is based on the three principles of sound science, prudent management, and a responsive public process. As we have told Congress, the Clinton Administration, and various interest groups, we will not support an arbitrary harvest number or proposals to support a number which is not based on the above three principles or determined within the TLMP process. We support the U.S. Forest Service process including the presentation of the draft alternatives in April and the further scientific analysis which has occurred since then. We do not want to see this credible process undermined by further delay. We also urge the U.S. Forest Service to provide a timber harvest level and strategies for the Tongass National Forest that:

- will prevent the immediate closure of any additional facilities and prevent additional job losses;
- will provide a predictable supply of sawlogs in the next four to five years for a transition to value-added manufacturing; and,
- will not stymie the development of an integrated industry that fully utilizes all the timber supply and maximizes jobs.

Mr. Michael Dombeck
December 20, 1996
Page 2

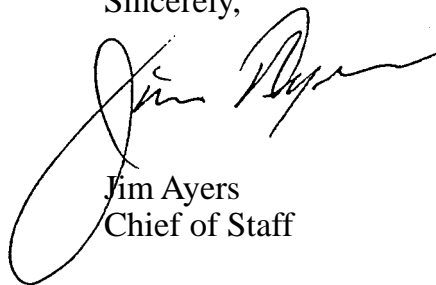
The Governor's Southeast Region Timber Task Force is developing models for the timber industry with ranges of harvest level options. The Alaska Forest Association's (AFA) models are based on their best analysis of the business needs of the timber industry. The AFA, along with some task force members, has publicly stated that a harvest level below the March 1996 preferred alternative will cause severe dislocation in the industry. Others in Southeast Alaska, including some communities, environmental groups, and some members of the task force, believe levels below the preferred alternative are preferable to protect important areas. However, they all agree on the need for a stable timber industry and the need for models that demonstrate how this can be achieved at various harvest levels. Completion of the revision is needed now so these models can be utilized in a realistic and meaningful manner.

If the revised plan's harvest level is significantly below the draft preferred alternative, the timber industry believes it will be difficult for those making investments in value-added components to secure start-up capital for their projects. In that case, Southeast Alaska will require major investments by the U.S. Department of Agriculture (USDA) for value-added infrastructure and other economic transition purposes.

In addition to financial assistance, the task force needs the technical assistance of your best national experts to help develop these models. We have contacted the Regional Forester and made a request for this assistance. We hope USDA will provide this assistance.

We look forward to working with you to create a seamless transition that, to the greatest extent possible, avoids displacing Alaskan job and families.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Ayers", is written over a large, stylized circular flourish.

Jim Ayers
Chief of Staff

cc: Senator Ted Stevens
Senator Frank Murkowski
Congressman Don Young
U.S. Forest Service Chief Michael Dombeck
Regional Forester Phil Janik
Katie McGinty, Chair, Council on Environmental Quality
Dinah Bear, General Counsel, Council on Environmental Quality
T.J. Glauthier, Associate Director, Natural Resources, Office of Management and Budget
Members of the Governor's Southeast Region Timber Task Force